August 2026

COMMUNITY Interest

THE QUARTERLY NEWSLETTER
FOR REDWOOD CAPITAL BANK

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Optimism for the Future

By JENNIFER BUDWIG

As I step into my role as President of Redwood Capital Bank, I do so with a tremendous sense of gratitude, excitement and optimism for the future. I am honored by the trust that has been placed in me and look forward to building on the strong foundation that has made Redwood Capital Bank successful.

...Our mission remains the same: to deliver superior community banking services.

One of the greatest strengths of our organization has always been thoughtful leadership and careful planning. Our leadership transition has been just that - well planned, collaborative and seamless. John Dalby has provided exceptional leadership since founding Redwood Capital Bank. I am grateful for his mentorship, guidance and unwavering commitment to our customers, employees, shareholders and community. I look forward to continuing to work alongside John and our senior management team as we carry our shared vision forward.

While leadership may evolve, our mission remains the same – to deliver superior community banking services. This includes, outstanding customer service, local decision making and building lasting relationships with the people and businesses we serve.

Looking ahead, I am excited about the opportunities before us. We recently welcomed Dan Phillips to our Board of Directors (see back page). Dan brings decades of experience leading innovation and technology for globally recognized companies. Dan's strategic perspective and passion for Humboldt County will be a tremendous asset as we continue to invest in the future while remaining grounded in the community banking values that define us.

The months ahead will bring new opportunities to strengthen customer relationships, expand the products and services we offer and continue investing in the people and communities that have supported us since our founding. We remain financially strong, well positioned for the future and committed to providing the personalized service our customers have come to expect from Redwood Capital Bank.

On behalf of our Board of Directors and the entire Redwood Capital Bank team, thank you for your continued trust and partnership. We are honored to serve you and look forward to the future with confidence, enthusiasm and a continued commitment to being Humboldt County's local community partner.

Jennifer Budwig is the President of Redwood Capital Bank. She can be reached at (707) 444-9817 or via email at jbudwig@rdwo.com

Built on Loyalty

This year has been one of meaningful milestones. As our nation celebrates 250 years of history and the City of Eureka marks 170 years, we're reminded that lasting success is built on generations of commitment, trust and loyalty. These anniversaries represent more than the passage of time, they reflect communities that have endured because people continue to invest in one another.

Redwood Capital Bank was founded with that same philosophy. More than two decades ago, local investors came together with a shared vision of creating a community bank that would put Humboldt County first. Today, that commitment remains as strong as ever. We are proud to be locally owned, locally managed and focused on building lasting relationships with our customers and our communities.

Our employees demonstrate that commitment every day - not only by serving customers in our branches, but by volunteering their time and supporting the events that make Humboldt County such a special place to live. Whether we're participating in the Fortuna Chili Cook-Off, enjoying Arcata's Pastels on the Plaza or lending a hand at countless community events throughout the year, we're honored to stand alongside our neighbors. Longevity is never achieved alone. It is earned through loyalty, trust and the relationships built over time. Thank you for allowing Redwood Capital Bank to be part of your financial journey.

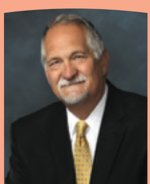
Second Quarter 2026 Earnings Release

By RENÉE BYERS

Balance Sheet data		At Period End 6/30/2026	6/30/2025	% Change
(In Thousands)	Total Assets	$563,380	$549,823	2%
	Total Deposits	$504,546	$489,770	3%
	Total Loans (net)	$402,328	$382,251	5%

Summary of Operations		Current Quarter 6/30/2026	6/30/2025	% Change
(In Thousands)	Interest Income	$6,540	$6,083	8%
	Net Interest Income	$5,395	$4,738	14%
	Book Value per Common Share	$30.33	$27.21	11%

Renée Byers is the SVP/Chief Financial Officer of Redwood Capital Bank. She can be reached at (707) 444-9849 or via email at rbyers@rdwo.com



A Foundation That Endures

By JOHN DALBY

As many of you know, Redwood Capital Bank recently completed an important leadership transition as Jennifer Budwig assumed the role of President. It marks an exciting new chapter for our organization, but it is also a reflection of something we've always believed in - thoughtful planning, strong leadership and continuity.

One of the things I have always been most proud of is the culture we've built together at Redwood Capital Bank. Our success has never been about one individual, it has been about a dedicated team of professionals who genuinely care about our customers, our coworkers and the communities we serve. That foundation of integrity, local decision-making and relationship banking remains as strong as ever.

While titles may change, the core of Redwood Capital Bank has not. The principles that guided us when we opened our doors more than two decades ago continue to shape every decision we make today. Our commitment to exceptional customer service, local decision-making, financial strength and meaningful community involvement remains as strong as ever.

For our customers, very little has changed - and that is exactly how we intended it. The same familiar faces continue to welcome you into our branches. The same local bankers are here to answer questions, provide sound financial guidance and make decisions close to home. The relationships we've built over the years remain the heart of our organization.

Together with our Board of Directors, our experienced management team and our dedicated employees, we remain focused on serving our customers, supporting our communities and creating long-term value for our shareholders. As we look ahead, I have every confidence that the same values that have guided us since the beginning will continue to shape our future for years to come.

The future of Redwood Capital Bank is bright because it is built on a strong foundation. As we continue to grow and evolve, the values that define us will never change - and neither will our commitment to being Humboldt County's local community partner.

John Dalby is the Chief Executive Officer of Redwood Capital Bank. He can be reached at (707) 444-9833 or via email at jdalby@rdwo.com

RCB Branch Updates

By MEGHANN BROADSTOCK

As we move through another busy and successful year, I continue to be incredibly proud of the outstanding work happening across all four of our branches - Eureka Main, Henderson Center, Fortuna and Arcata. Every day, our branch teams demonstrate what it means to provide exceptional community banking through personalized service, genuine relationships and a commitment to helping our customers succeed. It is truly an honor to work alongside such dedicated employees.

One of the highlights of the past few months was the completion of our latest customer service surveys. We set ambitious goals for ourselves, striving for each branch to achieve a customer satisfaction score of 90% or higher. I am thrilled to share that, combined, our branches earned an incredible 95.4% satisfaction rating - a remarkable achievement that reflects the exceptional service our employees provide every day. Just as meaningful as the scores are the thoughtful comments our customers share. We carefully review every survey, celebrate the compliments and learn from the suggestions. If you receive one of our customer service surveys, I encourage you to take a few moments to complete it. Your feedback is invaluable and our staff truly appreciate hearing directly from the customers they serve.

Our Eureka Main and Henderson Center branches continue to thrive under the leadership of AVP/Eureka Area Manager Michele O'Brien. I would also like to recognize Lauren Pope, who is serving as Interim Operations Supervisor for Henderson Center and Paris Cravalho, recently promoted to Lead Relationship Representative. Their willingness to embrace expanded leadership roles reflects the strength and depth of our branch teams.

In Fortuna, I am excited to welcome Bruce Lund as our new AVP/Fortuna Branch Manager. Bruce brings more than 35 years of experience in the financial services industry and a strong background in leadership that will further strengthen our presence in the Eel River Valley. I would also like to thank Carmen Fisch, Fortuna's Operations Supervisor, for her outstanding leadership while guiding the branch through this transition.

Our Arcata Branch recently represented Redwood Capital Bank at the Arcata Oyster Festival, where employees generously volunteered their time to support one of Humboldt County's favorite annual events. A special thank you goes to AVP/Branch Operations Manager Kaitlyn Poehner for coordinating our participation in this beloved community tradition.

Whether through volunteering, supporting local organizations or providing exceptional banking services, our employees continue to demonstrate Redwood Capital Bank's commitment to making a positive difference throughout the communities we serve.

Meghann Broadstock is the VP/Operations Administor of Redwood Capital Bank. She can be reached at (707) 444-9845 or via email at meghann@rdwo.com

Find Your Way Home

From first homes to forever homes, choosing the right home loan is important. With so many financing options available, it's helpful to have a trusted local lender by your side.

At Redwood Capital Bank, our Consumer Lending team takes the time to understand your goals and explain your options, helping you choose the loan product that's right for you. From application to closing, you'll work with experienced professionals who provide the personalized service and local decision-making you expect from your community bank.

We are pleased to announce that our residential loan promotion has been extended through December 31, 2026. Customers who apply for a conventional residential real estate loan by year-end will have their loan origination charges waived. Other fees and charges may still apply. Inquire in person or apply online at www.redwoodcapitalbank.com

If homeownership or refinancing is part of your plans this year, please reach out. We're here to help make your home financing experience as simple and straightforward as possible.

Tia Tupper Brownell, VP/Consumer Loan Manager NMLS# 466374 and Alejandra Garcia, AVP/Consumer Loan Specialist NMLS# 2040673 look forward to working with you!

October is Fraud Awareness Month at Redwood Capital Bank. Thank you to Visual Concepts for creating our 2026 Fraud Awareness mascot, "Scout the Scam Stopper."

Welcome Dan Phillips

We are extremely pleased to welcome Dan Phillips to the Redwood Capital Bank and Redwood Capital Bancorp Boards of Directors. Mr. Phillips brings a unique combination of innovation, leadership and strategic vision developed through an accomplished career in technology and entrepreneurship.

His deep roots in Humboldt County, commitment to fostering economic opportunity and passion for giving back to the community make him an outstanding addition to our Board of Directors.

Dan Phillips is a veteran technology executive with more than 30 years of experience leading innovation, product development, engineering and operations for some of the nation's fastest-growing technology companies, including: Chamberlain Group, Hulu and TiVo. He began his career in Humboldt County, California, as co-founder of MetaSystems, an enterprise software company based in Arcata.

Today, Dan remains deeply committed to the North Coast. He is co-founder of Lost Coast Ventures, a nonprofit organization that mentors and provides seed funding to entrepreneurs and is a founding member of StartUp Humboldt. Dan holds bachelor's degrees in Computer Information Systems and Business Administration (Accounting) from Cal Poly Humboldt.

UPCOMING BANK HOLIDAYS/ HOLIDAY HOURS

Monday, September 7
Labor Day*
Monday, October 12
Columbus Day*
Wednesday, November 11
Veteran's Day*
Thursday, November 26
Thanksgiving*
Friday, November 27
9:00 a.m.-3:00 p.m.
Thursday, December 24
9:00 a.m.-3:00 p.m.
Friday, December 25
Christmas Day*
*denotes closure

Cover Photos by:
Mary Curless Smith

Dividend Update

The Redwood Capital Bancorp Board of Directors recently declared the 59th consecutive, quarterly cash dividend. The quarterly cash dividend of $0.10 per share and was payable on August 7, 2026 to shareholders of record at the close of business on July 27, 2026. The dividend is equivalent to an annual rate of $0.40 per share.

For more information regarding investing in Redwood Capital Bancorp, visit: www.redwoodcapitalbank.com and click on Investor Relations. There you can access a list of market makers, and local financial advisors who can assist you in acquiring Redwood Capital Bancorp shares. For more information on the quarterly dividend, please contact CFO Renée Byers at (707) 444-9849 or via email at *rbyers@rdwo.com.*

Senior Management

Jennifer Budwig, President
John E. Dalby, CEO
Tammy Brown, SVP/CCO
Renée Byers, SVP/CFO
Stephanie Bye, SVP/CRO
Heather Bell, SVP/CIO

Board of Directors

J. William McAuley, Chairman
Steven M. Strombeck, Vice Chairman
Jennifer Budwig
Tyrone Champ
John E. Dalby
John J. Gierek, Jr.
Jennifer Harris
Benjamin McWhorter
W. Timothy Needham
K. Jeff Nelson
C. Dan Phillips
Michele Rieke

EUREKA BRANCH
402 G Street
Eureka, California 95501
(707) 444-9800

FORTUNA BRANCH
1075 S. Fortuna Blvd., Ste. A
Fortuna, California 95540
(707) 725-4722

ARCATA BRANCH
1315 G Street
Arcata, California 95521
(707) 826-0878

HENDERSON CENTER BRANCH
2816 F Street
Eureka, California 95501
(707) 444-9888

redwoodcapitalbank.com
HOURS OF OPERATION
Monday - Thursday: 9:00 a.m.- 5:00 p.m.
Friday: 9:00 a.m.- 5:30 p.m.

If you have ever used another financial institution's ATM to withdraw money from your account, chances are you paid a surcharge fee. We know these surcharges can add up, and that is why we joined an ATM network called the SUM Switch. It eliminates surcharges normally incurred when you use another institution's ATM*.

Now you can use hundreds of ATMs without paying costly surcharge fees. Just look for the SUM Switch logo when you are using another financial institution's ATM and you will know that you can receive money from your own account without extra fees*.

** Foreign ATM usage fee might still apply depending on your account type.*

MEMBER FDIC   EQUAL HOUSING LENDER